UTAH DIVISION OF OIL, GAS AND MINING

REMARKS: WELL LOG____ ELECTRIC LOGS____ FILE X WATER SANDS____ LOCATION INSPECTED____ SUB. REPORT/ABD.____

DATE FILED 7-3-78

LAND: FEE & PATENTED STATE LEASE NO. PUBLIC LEASE NO. U-14275 INDIAN

DRILLING APPROVED: 6-30-78

SPUDDED IN:

COMPLETED: PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION: 6216' GR

DATE ABANDONED: 5-15-79 - Location Abandoned; well never drilled

FIELD: ~~Wildcat~~ 3/86 Undesignated

UNIT:

COUNTY: Grand

WELL NO. Federal 4275 - #1 API NO: 43-019-30448

LOCATION 297' FT. FROM (N) ~~KW~~ LINE. 2263' FT. FROM (E) ~~KW~~ LINE. NW NE ¼ – ¼ SEC. 11

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
18S	23E	11	ANSCHUTZ CORPORATION				

5-15-79-Location abandoned; Well never drilled

FILE NOTATIONS

Entered in NID File ..✓..... Checked by Chief .....
Location Map Pinned ..✓..... Approval Letter .....
Card Indexed ..... Disapproval Letter .....

COMPLETION DATA:

Date Well Completed ..... Location Inspected .....

OW..... WW..... TA..... Bond released

GW..... OS..... PA..... State or Fee Land .....

LOGS FILED

Driller's Log.....

Electric Logs (No.) .....

E..... I..... Dual I Lat..... GR-N..... Micro.....

BHC Sonic GR..... Lat..... M-L..... Sonic.....

CBLog..... CCLog..... Others.....

LWP
4-5-90

Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: U-14275

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER — SINGLE ZONE [ ] MULTIPLE ZONE [ ]

7. UNIT AGREEMENT NAME: Buck Canyon

8. FARM OR LEASE NAME: Federal 4275

2. NAME OF OPERATOR: The Anschutz Corporation

9. WELL NO.: 1

3. ADDRESS OF OPERATOR: 1110 Denver Club Building Denver, Colorado 80202

10. FIELD AND POOL, OR WILDCAT: Wildcat

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 297' FNL, 2263' FEL Section 11, T18S, R23E
At proposed prod. zone: Same

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: NWNE Sec. 11, T18S, R23E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 17 miles from Harley Dome

12. COUNTY OR PARISH: Grand

13. STATE: Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
297'	1880	640
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
	5720'	Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 6216' gr.

22. APPROX. DATE WORK WILL START*: July 15, 1978

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	200'	200 sacks
6-3/4"	4-1/2"	9.5#	5720'	200 sacks

State of Utah, Department of Natural Resources
Division of Oil, Gas and Mining
1588 West North Temple
Salt Lake City, Utah 84116

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.
SIGNED: Peter MacDowell — TITLE: Agent for The Anschutz Corporation — DATE: 6/13/78

VP-Production — 6/27/78

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY: A. Clifford — ACTING TITLE: DISTRICT ENGINEER — DATE: AUG 16 1978

CONDITIONS OF APPROVAL, IF ANY:

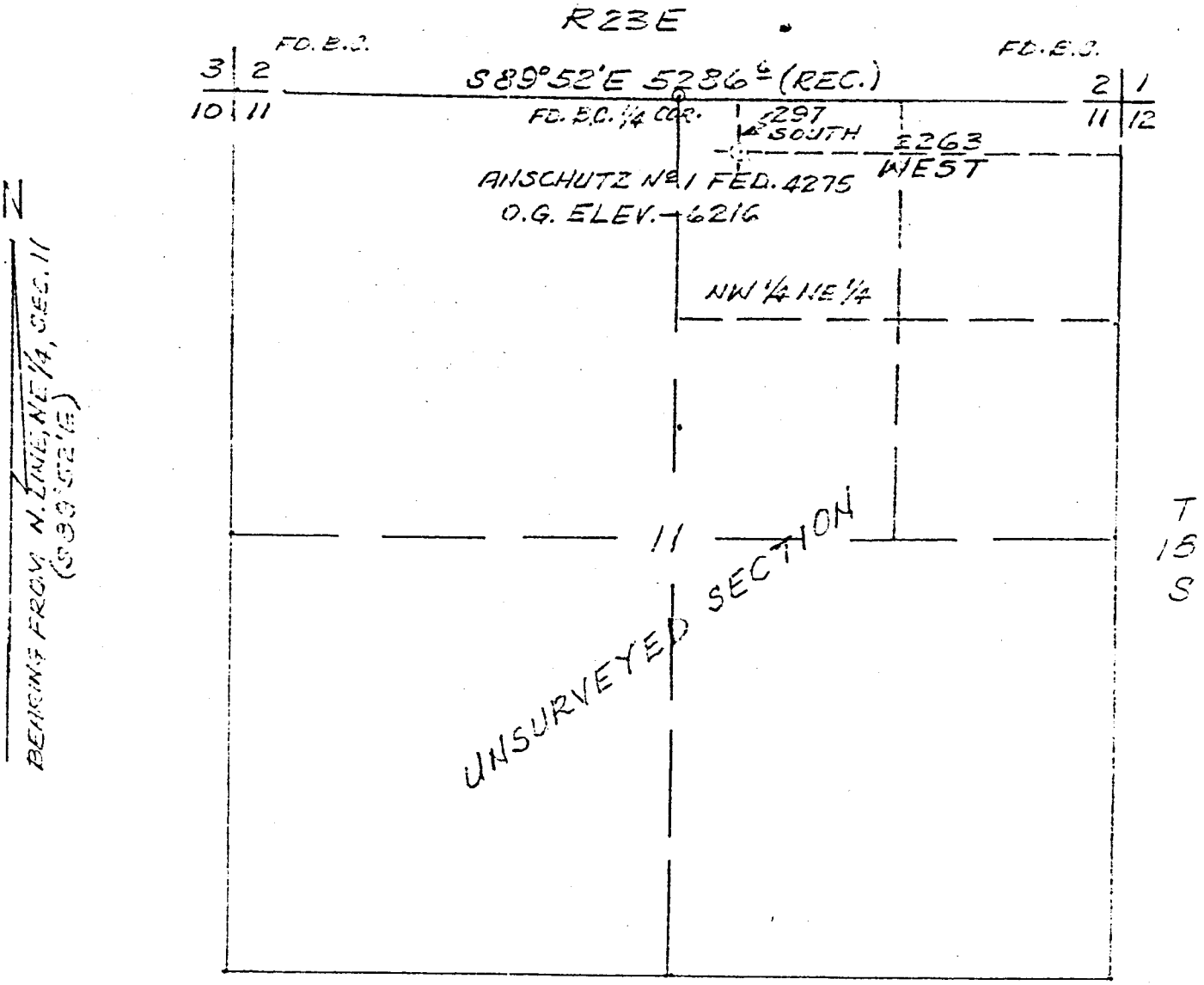
CONDITIONS OF APPROVAL ATTACHED

NOTICE OF APPROVAL

*See Instructions On Reverse Side

NECESSARY FLARING OF GAS DURING DRILLING AND COMPLETION APPROVED SUBJECT TO ROYALTY (NTL-4)

WELL LOCATION PLAT



ELEV. BY VERTICAL ANGLES FROM
U.S.G.S. TOPO. QUAD. "ANTONE CANYON, UTAH,"
1970. N.E. COR., SEC. 11 = 6170

ANSCHUTZ No. 1 FED. 4275 WELL LOC.
IN NW 1/4 NE 1/4, SEC. 11, T18S, R23E, S.L.B.&M.
GRAND COUNTY, UTAH
297 F.N.L. & 2263 F.E.L. SEC. 11.
FOR: ANSCHUTZ CORP.
SCALE: 1" = 1000' MAY 30, 1975
TRANSIT & DISTANCE METER SURVEY

Dallas E. Hoopes
UTAH REGD. L.S. No. 1363

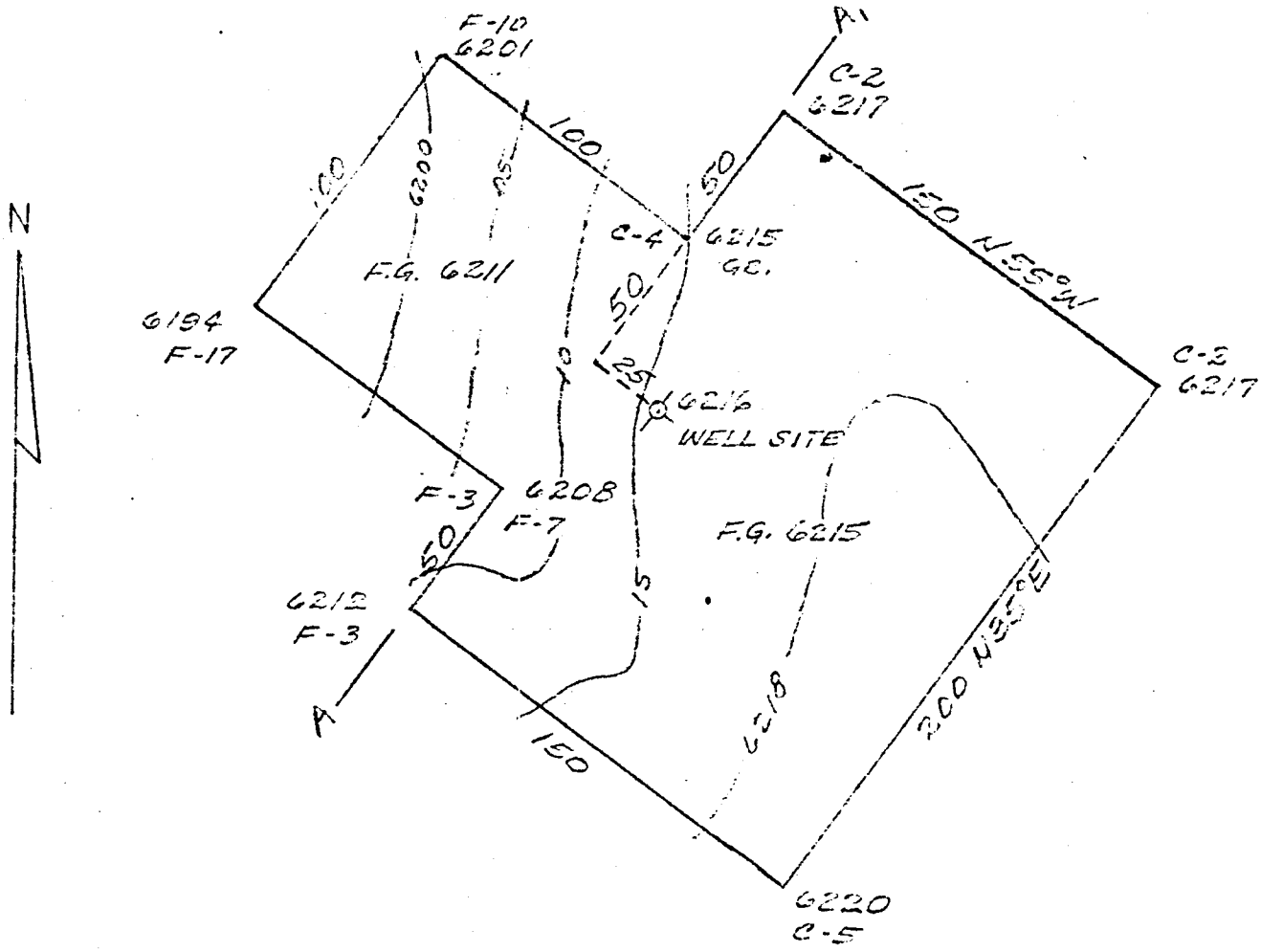
TOPO. PLAN & SHOWING CUTS & FILLS FOR

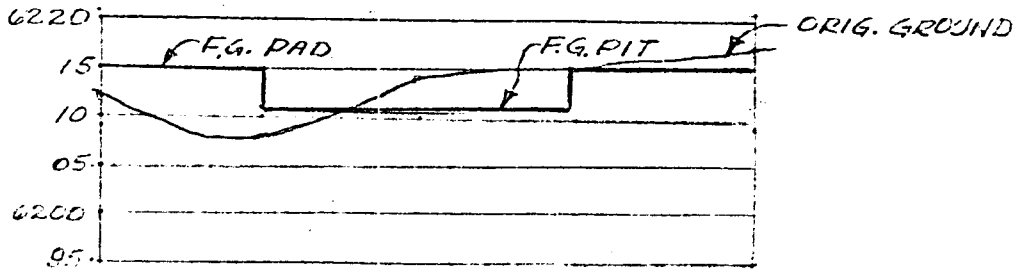
DRILLING PAD & RESERVE PIT

ANSCHUTZ No. 1 FED. #275

297' FNL & 2268' FEL, SEC. 11, T 16 S, R 23 E

GRAND COUNTY, UTAH





CROSS SECTION THRU A-A1

HORSCALE: 1" = 60'

VER. SCALE: 1" = 20'

SURVEYED BY COMPASS & HAND LEVEL

David S. Kling

UTAH REG. L.S. No. 1963

The Anschutz Corporation

13 Point Surface Use Plan

for

Well Location

#1 Federal 4275

Section 11, T18S, R23E

Grand County, Utah

#1 Federal 4275

1. Existing Roads

See attached Topographic Map "A".

To reach The Anschutz Corporation well site located in the Northeast quarter of Section 11, T18S, R23E, proceed northeast from Harley Dome (Westwater Exit) on Utah 6 and 50 to the Westwater Road. Turn to the Northwest and proceed for approximately 17 miles to Dry Canyon. Proceed west on the Dry Canyon Road for approximately 8.2 miles. The location is flagged on the east side of the road and is approximately 3/4 miles off the road.

A minimum amount of upgrading will be required on the existing road. The roads will be regularly maintained.

2. Planned Access Road

See attached Topographic "A".

There will be approximately 4000' of new access road constructed to The Anschutz Corporation # 1 Federal 4275. The proposed access road will be an 18' crown road with 9' either side of the center line with drainage ditches along either side of the proposed road where it is determined necessary in order to handle any runoff from normal meteorological conditions prevalent in this area.

The grade of this road will vary from flat to 5% but will not exceed this amount. The road will be constructed from native borrow accumulated during construction. The terrain to be traversed by this road is hilly and vegetated with sparse amounts of sagebrush, grasses and pinions.

3. Location of Existing Wells

As shown on Topographic map "A", there are no other wells within a one mile radius of the proposed well site.

4. Location of Tank Batteries, Production Facilities and Production Gathering and Service Lines

All petroleum production facilities are to be contained within the proposed location site. There are no other Anschutz Corporation flow, gathering, injection or disposal lines within a one mile radius of this location.

In the event production is established, plans for a gas flow line from this location to existing gathering lines or a main production flow line shall be submitted to the appropriate agencies for approval.

5. Location and Type of Water Supply

Water used to drill this well will be hauled from Westwater Creek. No new roads will have to be constructed for access.

6. Source of Construction Material

All construction materials for this location site and access road shall be barrow materials accumulated during construction of the location site and access road. No additional road gravels or pit lining materials from other sources are anticipated at this time.

7. Method for Handling Water Disposal

Drill cuttings will be buried in the reserve pits when covered. Drilling fluids will also be handled in the reserve pits. Any hydrocarbons produced while drill or stem production testing will be collected in a test tank set near the pipe baskets or near the well head. A portable chemical toilet will be supplied for human waste. Garbage, wastes and non-flammable waste salts and other chemicals produced or used during drilling or testing will be handled in the reserve pits, or kept in the trash or burn pits. Chicken wire will be used to cover the trash pit if blowing is a problem. The reserve pits, in addition to the trash or burn pits, will be fenced on three sides during drilling operations, and iron or other posts and wire fencing will be available on location immediately upon cessation of drilling and the fourth side of the reserve pits will be fenced prior to full removal of the rig from the location. Any other dangerous or harmful pits or sewage areas will also be fenced or covered at the time the rig moves off the location.

8. Ancillary Facilities

There are no ancillary facilities planned for at the present time and none forseen in the near future.

9. Wellsite Layout

See attached location layout plat. The BLM Management District Manager or other appropriate agencies will be notified before any construction begins on the proposed location site. When drilling activities commence, all work shall proceed in a neat and orderly sequence.

10. Plans for Restoration of Surface

As there is some top soil in the area, all top soil will be stripped and stockpiled prior to drill activities on the well site only (see #9) When all production activities have been completed, the location site, access road, and flowline route will be reshaped as nearly as possible to the original contour, prior to construction, and the top soil on the location only spread over the disturbed area. Any drainage rerouted during the construction and production activities shall be restored to the original line of flow.

All additional wastes being accumulated during production activities and contained on the reserve pit and trash pit shall be buried with a minimum 4' of cover. The location site, access road and flowline routes shall be reseeded with a seed mixture recommended by the BLM District Manager when the moisture content of the soil is adequate for germination.

Restoration activities shall begin within 90 days after completion of the well. Once completion activities have begun, they shall be completed within 30 days. The lessee further covenants and agrees that all of said cleanup and restoration activities shall be done with the above mentioned Items No. 7 and 10.

11. Other Information

The topography of the general area is mountainous.

The majority of the numerous washes and streams in the area are of a non-perennial nature flowing during the early spring run-off and extremely heavy rain storms of long duration which are extremely rare. The normal annual rainfall in the area is 8-10".

The soils in this semi-arid area consist of light brownish-gray clays to sandy soils with poorly graded gravels. Outcrops of sandstone ledges, conglomerate deposits and shale are common in this area. The top soils in the area range from sandy clay to clayey soils.

Due to the low precipitation average climate conditions and the marginal types of soils, the vegetation that is found in the area is common of the semi-arid region we are located in. In the lower elevations it consists of juniper and pinion pine forests as the primary flora with areas of sagebrush, rabbit brush, some grasses and cacti.

The fauna of the area consist mainly of mule deer, coyote, rabbit and varieties of small ground squirrels and other types of rodents.

The area is used by man primarily for grazing sheep and cattle. The birds of the area are raptors, finches, ground sparrows, magpies, crows and jays.

The immediate area surrounding the location site is vegetated with predominantly juniper and pinion pine trees with sparse amounts of sagebrush and grasses.

There are no occupied dwellings or other facilities of this nature in the general area. There are no visible archaeological, historical or cultural sites within any reasonable proximity of the proposed location site.

12. Lessee's or Operator's Representative

Peter MacDowell
Resource Marketing Services, Inc.
821 17th Street
Denver, Colorado 80202

(303)892-9185 Business
(303)773-3020 Home

Mr. Wayne Pierce
The Anschutz Corporation
1110 Denver Club Building
Denver, Colorado 80202

(303)573-5665 Business
(303)794-3860 Home

13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operation proposed herein will be performed by The Anschutz Corporation and its contractors and subcontractors in conformity with the plan and terms and conditions under which it is approved.

Peter MacDowell

The Anschutz Corporation

Ten Point Resource Protection Plan

Well:	#1 Federal 4275
Location:	NE Section 11, T18S, R23E
County and State:	Grand County, Utah
Federal Lease Number:	U-14275

1. The geological name for the surface formation is the Green River formation of Middle Eocene Age.

2. The estimated tops of important geological markers with depths calculated from an estimated RKB elevation of 5720' are as follows:

Castlegate	1270'
Mancos	1350'
Base Dakota Silt	4900'
Cedar Mountain	5018'
Morrison	5084'
Summerville	5516'
Entrada	5616'
Total Depth	5720'

3. Of the formations listed above, it is anticipated that the Cedar Mountain, Morrison, Summerville and Entrada may be gas bearing in this well.

4. The proposed casing program for completion of this well will consist of 4-1/2" 9.5# new casing. The 8-5/8" casing will be new.

5. The operator minimum specifications for pressure control equipment are as follows:

   A 10" Double Ram Hydraulic Unit with a closing unit will be utilized. Additionally, while air drilling a Series 900 Rotating Head will be used. Pressure tests of BOP's to 1000# will be made after installation and operation and will be checked daily.

6. It is proposed that the hole will be drilled to Total Depth using air and mist as necessary in order to clean the hole.

7. Auxiliary equipment to be used will be a Kelly Cock and a Float at the bit.

8. No coring or drill stem testing has been scheduled for this well. The logging program will consist of a dual induction laterolog, borehole compensated sonic log and a compensated neutron formation density log.

9. It is not anticipated that any abnormal pressures or temperatures will be encountered nor that any other abnormal hazards such as H_2S gas will be encountered in this area.

10. It is anticipated that this well will be commenced approximately July 15, 1978 and that the operations will last two weeks.

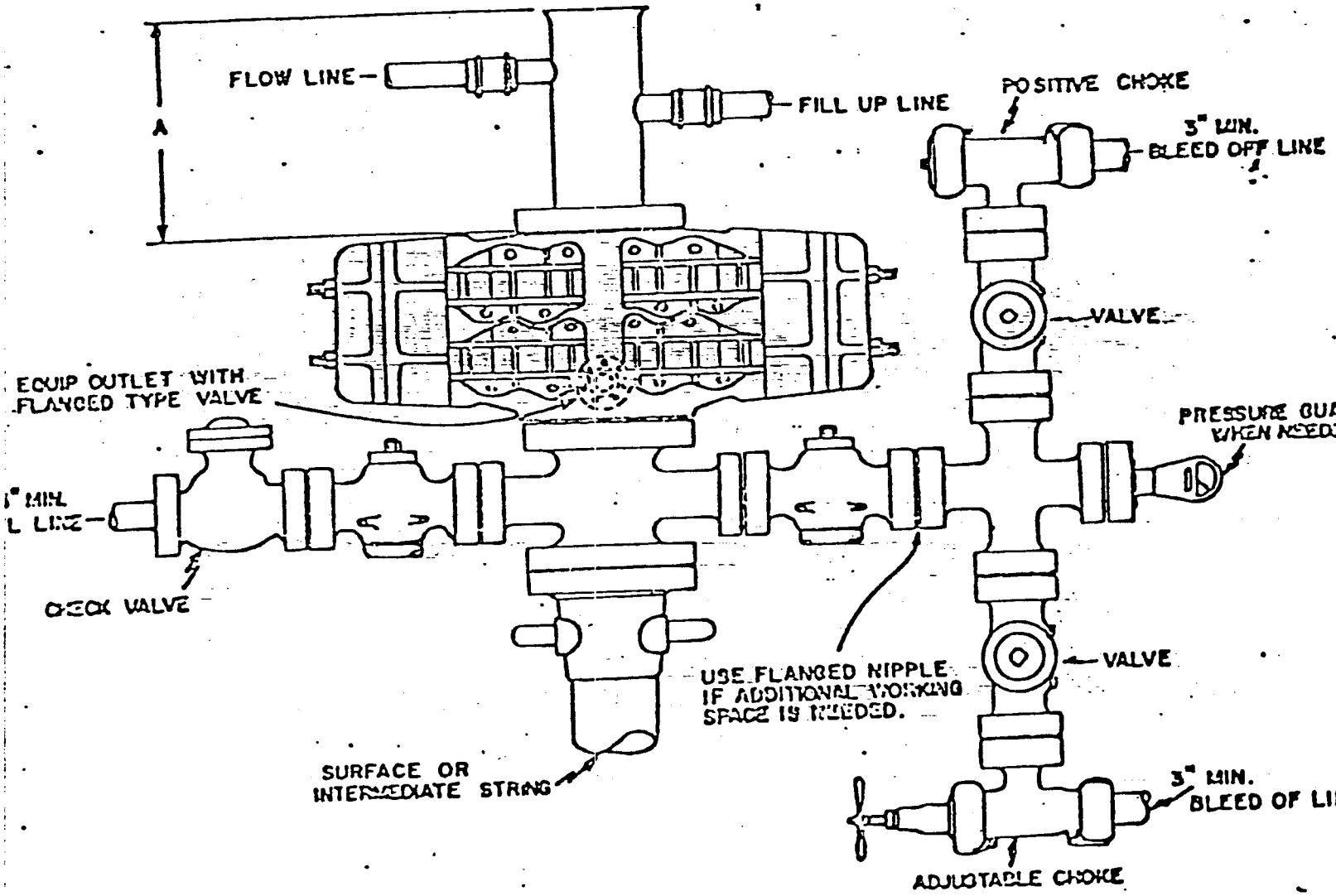
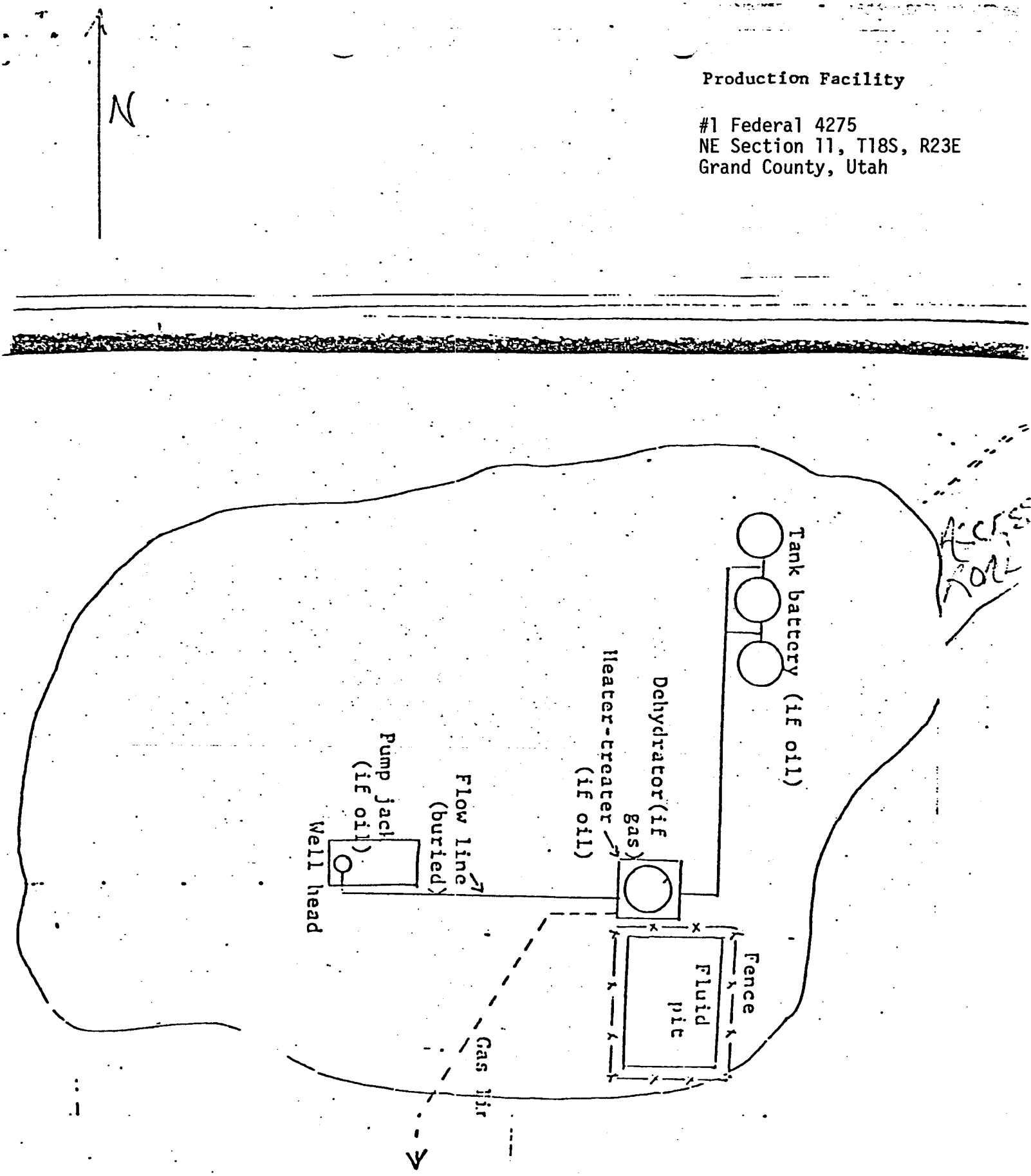

A
FLOW LINE
FILL UP LINE
POSITIVE CHOKE
3" MIN.
BLEED OFF LINE
VALVE
EQUIP OUTLET WITH
FLANGED TYPE VALVE
PRESSURE GU
WHEN NEED
MIN.
LINE
CHECK VALVE
USE FLANGED NIPPLE
IF ADDITIONAL WORKING
SPACE IS NEEDED.
VALVE
SURFACE OR
INTERMEDIATE STRING
3" MIN.
BLEED OF LI
ADJUSTABLE CHOKE

EXHIBIT - A

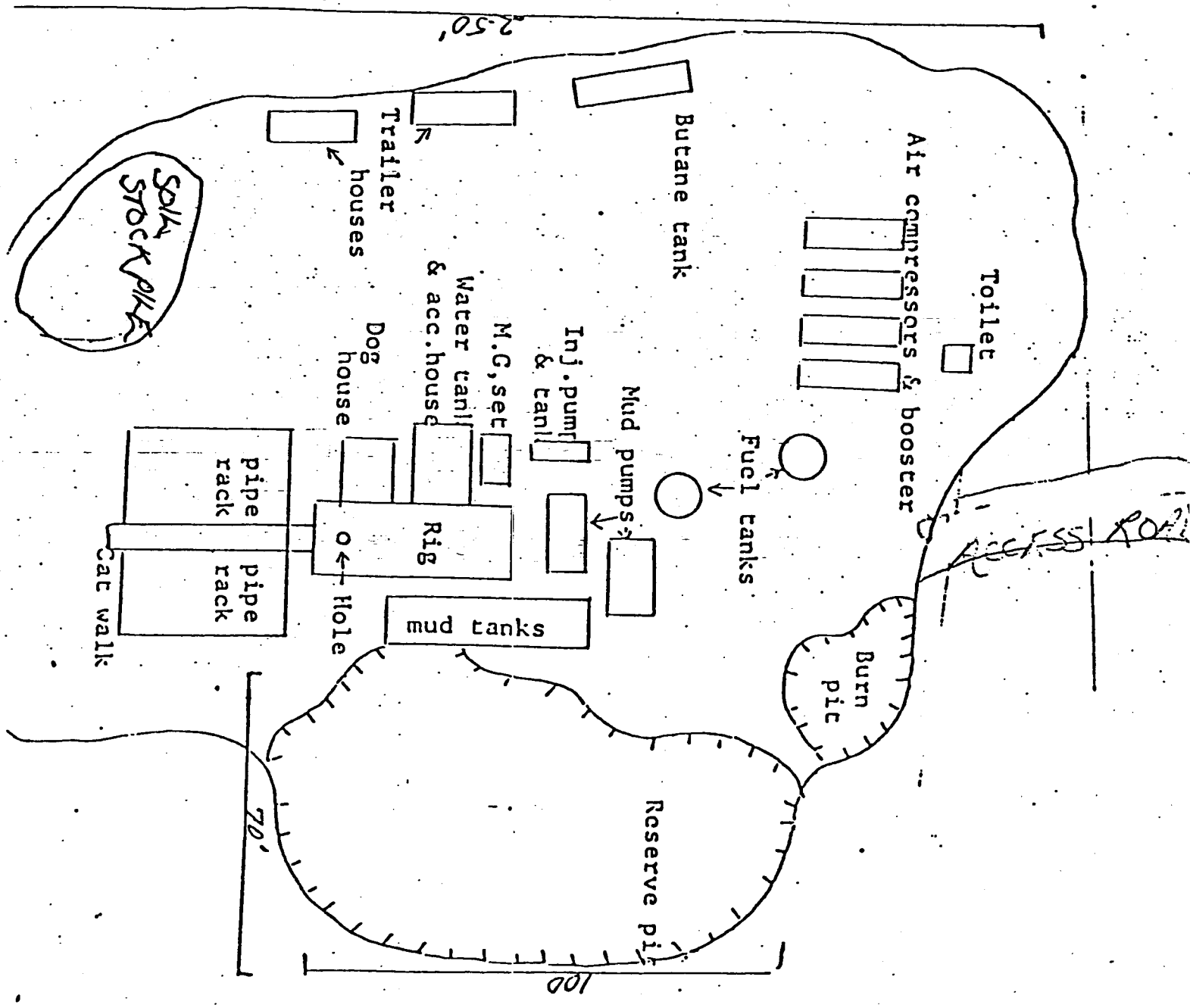
Production Facility

#1 Federal 4275
NE Section 11, T18S, R23E
Grand County, Utah



Rig Layout
Scale 1" = 35'

#1 Federal 4275
NE Section 11, T18S, R23E
Grand County, Utah



EA No. 1

United States Department of the Interior
Geological Survey
8440 Federal Building
Salt Lake City, Utah 84138

Usual Environmental Analysis

Lease No. U-14275

Operator The Anschutz Corporation Well No. 4275-1

Location 497'FNL, 2263'FEL Sec. 11 T. 18 S., R. 23 E.

County Grand State Utah Field Wildcat

Status: Surface Ownership Public Minerals Federal

Joint Field Inspection Date August 1, 1978

Participants and Organizations:

George Diwachak	USGS - Salt Lake City, Utah
Rocky Curnett	BLM - Moab, Utah
Kathy Patterson	Anschutz Corp.
Loren Wells	Anschutz Corp.
Dick Stites	Contractor

Related Environmental Analyses and References:

(1) Unit Resource Analysis - Book Mountain Planning Unit, BLM - Moab, Utah

(2)

Analysis Prepared by: George Diwachak
~~John T. Evans~~
Environmental Scientist
Salt Lake City, Utah

Date August 2, 1978

Proposed Action:

On June 29, 1978, the Anschutz Corporation filed an Application for Permit to Drill the No. 4275-1 exploratory well, a 5,720-foot gas test of the Cedar Mt., Morrison, Summerville, and Entrada Formations; located at an elevation of 6,216 ft in the Buck Canyon Unit on Federal mineral lands and public surface; Lease No. U-14275. As an objection was raised to the wellsite it was moved to 497'FNL and 2263'FEL. This did not change the ¼¼¼ coordinates. There was no objection raised to the access road.

A rotary rig would be used for the drilling. An adequate casing and cementing program is proposed. Fresh-water sands and other mineral bearing formations would be protected. A Blowout Preventer would be used during the drilling of the well. The proposed pressure rating should be adequate. Details of the operator's NTL-6 10-Point Subsurface and 13-Point Surface Protection Plans are on file in the U.S.G.S. District Office in Salt Lake City, Utah, and the U.S.G.S. Northern Rocky Mountain Area Office in Casper, Wyoming.

A working of agreement has been reached with the Bureau of Land Management, the controlling surface agency. Rehabilitation plans would be decided upon as the well neared completion; the Surface Management Agency would be consulted for technical expertise on those arrangements.

The operator proposes to construct a drill pad 130 ft wide x 275 ft and a reserve pit 100 ft x 125 ft. A new access road will be constructed 18 ft wide with 4' crowns x 0.75 mi long and upgrade 18 ft wide by 6.7 miles access road from an existing and improved road. The operator proposes to construct production facilities on a disturbed area of the proposed drill pad. If production is established, plans for a gas flow line have been submitted to the appropriate agencies for approval. The anticipated starting date is when approved and duration of drilling activities would be about 14 days.

Location and Natural Setting:

The proposed drillsite is approximately 17 mi northwest of Harley Dome, Utah, the nearest town. A poor road runs to within 0.75 mi of the location. This well is a Wildcat in the Buck Canyon Unit.

Topography:

The topography of the lease area is Mountainous dissected by numerous drainages. Te proposed drill site is located on a relatively flat ridgetop with easy access.

Geology:

The surface geology is Green River Formation. The soil is sandy loam with rock. No geologic hazards are known near the drillsite. Seismic risk for the area is minor. Anticipated geologic tops are filed with the 10-Point Subsurface Protection Plan.

Approval of the proposed action would be conditioned that adequate and sufficient electric/radioactive/density logging surveys would be made to locate and identify any potential mineral resources. Production casing and cementing would be adjusted to assure no influence of the hydrocarbon zones through the well bore on these minerals. In the event the well is abandoned, cement plugs will be placed with drilling fluid in the hole to assure protection of any mineral resources.

The potential for loss of circulation would exist and is possible in the sandstone units. Loss of circulation may result in the lowering of the mud levels, which might permit exposed upper formations to blow out or to cause formation to slough and stick to drill pipe. A loss of circulation would result in contamination due to the introduction of drilling muds, mud chemicals, filler materials, and water deep into the permeable zone, fissures, fractures, and caverns within the formation in which fluid loss is occurring. The use of special drilling techniques, drilling muds, and lost circulation materials may be effective in controlling lost circulation.

A geologic review of the proposed action has been furnished by the Area Geologist, U.S. Geological Survey, Salt Lake City, Utah. The operator's drilling, cementing, casing and blowout prevention programs have been reviewed by the Geological Survey engineers and determined to be adequate.

Soils:

No detailed soil survey has been made of the project area. The top soils in the area range from a sandy clay to a clay type soil. The soil is subject to runoff from rainfall and has a high runoff potential and sediment production would be high. The soils are mildly to moderately alkaline and support the salt-desert shrub community. The pinon, juniper association is also present.

Top soil would be removed from the surface and stockpiled. The soil would be spread over the surface of disturbed areas when abandoned to aid in rehabilitation of the surface. Rehabilitation is necessary to prevent erosion and encroachment of undesired species on the disturbed areas. The operator proposed to rehabilitate the location and access roads per the recommendations of the Bureau of Land Management.

Approximately 3.5 acres of land would be stripped of vegetation. This would increase the erosional potential. Proper construction practice, construction of water bars, reseeding of slope-cut area would minimize this impact.

Air:

No specific data on air quality is available at the proposed location. There would be a minor increase in air pollution due to emissions from rig and support traffic engines. Particulate matter would increase due to dust from travel over unpaved dirt roads. The potential for increased air pollution due to leaks, spills, and fire would be possible.

Relatively heavy traffic would be anticipated during the drilling operations phase, increasing dust levels and exhaust pollutants in the area. If the well was to be completed for production, traffic would be reduced substantially to a maintenance schedule with a corresponding decrease of dust levels and exhaust pollutants to minor levels. If the project results in a dry hole, all operations and impact from vehicular traffic would cease after abandonment. Due to the limited number of service vehicles and limited time span of their operation, the air quality would not be substantially reduced.

Toxic or noxious gases would not be anticipated.

Precipitation:

Annual rainfall should range from about 8 to 11 inches at the proposed location. The majority of the numerous drainages in the surrounding area are of a nonperennial nature flowing only during early spring runoff and during extremely heavy rain storms. This type of storm is rather uncommon as the normal annual precipitation is around 8 inches.

Winds are medium and steady with strong gusts, occurring predominately from southwest to northeast. Air mass inversions are rare.

The climate is semi-arid with abundant sunshine, hot summers and cold winters with temperature variations on a daily and seasonal basis.

Surface Water Hydrology:

Drainage from the lease area is to Westwater Creek which flows south and dissipates into the desert flats. Water movement during periods of high runoff is towards the Colorado River.

Some additional erosion would be expected in the area since surface vegetation would be removed. If erosion became serious, drainage

systems such as water bars and dikes would be installed to minimized the problem. The proposed project should have minor impact on the surface water systems.

The potentials for pollution would be present from leaks or spills. The operator is required to report and clean up all spills or leaks.

Ground Water Hydrology:

Some minor pollution of ground water systems would occur with the introduction of drilling fluids (filtrate) into the aquifer. This is normal and unavoidable during rotary drilling operations. The potential for communcation, contamination and commingling of formations via the well bore would be possible. The drilling program is designed to prevent this. There is need for more data on hydrologic systems in the area and the drilling of this well may provide some basis information as all shows of fresh water would be reported. Water production with the gas would require disposal of produced water per the requirement of NLT-2B.

The depths of fresh water formations are listed in the 10-Point Subsurface Protection Plan. There would be no tangible effect on water migration in fresh-water aquifers. The pits would be unlined. If fresh water should be available from the well, the owner or surface agency may request completion as a water well if given approval.

Vegetation:

The proposed drilling site is located in a Pinyon Juniper thicket. Vegetation consists of Pinyon, Juniper, some sagebrush, Mountain Mahogany, cacti, Indian Ricegrass, and other shrubs and grasses characteristic of the mountainous region.

Proposed action would remove about 3.5 acres of vegetation. Removal of vegetation would increase the erosional potential and there would be a minor decrease in the amount of vegetation available for grazing.

The operator proposes to rehabilitate the surface upon completion of operations.

Wildlife:

Animal and plant inventory has been made by the BLM. No endangered plants or animals are known to habitat on the project area. The fauna of the area consists predominatly of the mule deer, coyotes, rabbits, and varieties of small ground squirrels and other types of rodents and various types of reptiles. The area is used by man for the primary purpose of grazing domestic livestock and sheep. The birds of the area are raptors, finches, ground sparrows, magpies, crows and jays.

Social-Economic Effect:

An on the ground surface archaeological reconnaissance would be required prior to approval of the proposed action. Appropriate clearances would then be obtained from the surface managing agency. If an historic artifact, an archeological feature or site is discovered during construction operations, activity would cease until the extent, the scientific importance, and the method of mitigating the adverse effects could be determined by a qualified cultural resource specialist.

There are no occupied dwellings and other facilities of this nature in the general area. Minor distractions from aesthetics would occur over the lifetime of the project and are judged to be minor. All permanent facilities placed on the location should be painted a light sand color to blend in with the natural environment. Present use of the area is grazing, recreation, and oil and gas activities.

Noise from the drilling operation may temporarily disturb wildlife and people in the area. Noise levels would be moderately high during drilling and completion operations. Upon completion, noise levels would be infrequent and significantly less. If the area is abandoned, noise levels should return to predrilling levels.

The site is not visible from any major roads. After drilling operations, completion equipment would be visible to passersby of the area but would not present a major intrusion.

The economic effect of one well would be difficult to determine. The overall effect of oil and gas drilling and production activity are significant in Grand County. But should this well discover a significant new hydrocarbon source, local, state and possibly national economies might be improved. In this instance, other development wells would be anticipated, with substantially greater environmental and economic impacts.

Should the wellsite be abandoned, surface rehabilitation would be done according to the surface agency's requirements and U.S. Geological Survey's satisfaction. This would involve leveling, contouring, reseeding, etc., of the location and possibly the access road. If the well should produce hydrocarbons, measures would be undertaken to protect wildlife and domestic stock from the production equipment.

Land Use:

The land is used primarily for wildlife grazing. There are no national, state, or local parks, forests, wildlife refuges or ranges, grasslands, monuments, trails or other formally designated recreational facilities near the proposed location.

The proposed location is within the Book Mountain Planning Unit. This Environmental Assessment Record was compiled by the Bureau of Land Management, the surface managing agency of the Federal surface in the area. The study includes additional information on the environmental impact of oil and gas operations in this area and gives land use recommendations. The EAR is on file in the agency's State offices and is incorporated herein by reference.

Waste Disposal:

The mud and reserve pits would contain all fluids used during the operations. A trash pit would be utilized for any solid wastes generated at the site and would be buried at the completion of the operations. Sewage would be handled according to State sanitary codes. For further information, see the 13-Point Surface Plan.

Alternatives to the Proposed Action:

(1) Not approving the proposed permit -- The oil and gas lease grants the Lessee exclusive right to drill for, mine, extract, remove and dispose of all oil and gas deposits.

Under leasing provisions, the Geological Survey has an obligation to allow mineral development if the environmental consequences are not too severe or irreversible. Upon rehabilitation of the site, the environmental effects of this action would be substantially mitigated, if not totally annulled. Permanent damage to the surface and subsurface would be prevented as much as possible under the U.S. Geological Survey and other controlling agencies supervision with rehabilitation planning reversing almost all effects. Additionally, the growing scarcity of oil and gas should be taken into consideration. Therefore, the alternative of not proceeding with the proposed action at this time is rejected.

(2) Minor relocation of the wellsite access road or any special, restrictive stipulations or modifications to the proposed program would not significantly reduce the environmental impact. There are no severe vegetative, animal or archaeological-historical-cultural conflicts at the site. Since only a minor impact on the environment would be expected, the alternative of moving the location is rejected. At abandonment, normal rehabilitation of the area such as contouring, reseeding, etc., would be undertaken with an eventual return to the present status as outlined in the 13-Point Surface Plan.

The proposed drilling site is located on a ridgetop of flat topography with relatively easy access. It was however, moved 200 ft. south of the original location to place the pad and pits in a more environmentally suitable location, avoiding a major drainage and the edge of the ridgetop.

The proposed construction of the access road was changed at the onsite inspection to an 18 ft drivable surface with 4 ft on either side allowed to be crowned off for proper drainage.

It is recommended that the Blewie line be misted as it enters the reserve pit to suppress any dust that may be encountered.

Adverse Environmental Effects Which Cannot Be Avoided:

Surface disturbance and removal of vegetation from approximately two acres of land surface from the lifetime of the project which would result in increased and accelerated erosional potential. Grazing would be eliminated in the disturbed areas and there would be a minor and temporary disturbance of wildlife and livestock. Minor induced air pollution due to exhaust emissions from rig engines of support traffic engines would occur. Minor increase in dust pollution would occur due to vehicular traffic associated with the operation. If the well is a gas producer, additional surface disturbance would be required to install production pipelines. The potential for fires, leaks, spills of gas, oil or water would exist. During the construction and drilling phases of the project, noise levels would increase. Potential for sub-surface damage to fresh water aquifers and other geologic formations exists. Minor distractions from aethestics during the lifetime of the project would exist. If the well is a producer, an irreplaceable and irretrievable committment of resources would be made. Erosion from the site would eventually be carried as sediment in the Colorado River during periods of high runoff. The potential for pollution to Westwater Creek would exist through leaks and spills.

Determination:

This requested action does not constitute a Federal action significantly affecting the environment in the sense of NEPA, sec. 102(2)(c).

([illegible] Sgd.) E. W. Guynn

District Engineer
U. S. Geological Survey
Conservation Division
Oil and Gas Operations
Salt Lake City District

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

** FILE NOTATIONS **

Date: June 20-

Operator: Anschutz Corp.

Well No: Fed 27S-#1

Location: Sec. 11 T. 18S R. 23E County: Grand

File Prepared: / / *Entered on N.I.D.:* / /

Card Indexed: / / *Completion Sheet:* / /

API NUMBER: 43-019-30448

CHECKED BY:

Administrative Assistant

Remarks:

Petroleum Engineer OK

Remarks:

Director

Remarks:

INCLUDE WITHIN APPROVAL LETTER:

Bond Required: OK

Survey Plat Required: /

Order No. / *Surface Casing Change to* /

Rule C-3(c), Topographic exception/company owns or controls acreage within a 660' radius of proposed site /

O.K. Rule C-3 / *O.K. In* Unit /

Other:

/ Letter Written/~~Approved~~

Resource Marketing Services Inc.

821 17th Street, Denver, Colorado 80202 • (303) 892-9185

June 23, 1978

State of Utah
Division of Oil & Gas & Mining
1588 West North Temple
Salt Lake City, Utah

Re: The Anschutz Corporation
Federal 4275-1
Section 11, T18S, R23E
Grand County, Utah

Gentlemen:

This letter is to advise you that the above well has been staked 297' FNL, 2263' FEL of Section 11, T18S, R23E. It was deemed necessary to stake the well in this location (less than 600' from the lease line) because of topography.

If additional information is needed, please advise.

Very truly yours,

Peter MacDowell

PM:kp

June 30, 1978

The Anschutz Corporation
1110 Denver Club Building
Denver, Colorado 80202

Re: Well No. Federal 4275-#1
Sec. 11, T. 18 S, R. 23 E,
Grand County, Utah

Gentlemen:'

Insofar as this office is concerned, approval to drill the above referred to well is hereby granted in accordance with Rule C-3(c), General Rules and Regulations and Rules of Practice and Procedure.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

PATRICK L. DRISCOLL - Chief Petroleum Engineer
HOME: 582-7247
OFFICE: 533-5771

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling.

The API number assigned to this well is 43-019-30448.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

CLEON B. FEIGHT
Director

cc: U.S. Geological Survey

U. S. GEOLOGICAL SURVEY - CONSERVATION DIVISION

FROM : DISTRICT GEOLOGIST, ME, SALT LAKE CITY, UTAH

TO : DISTRICT ENGINEER, O&G, SALT LAKE CITY, UTAH

SUBJECT: APD MINERAL EVALUATION REPORT LEASE NO. U14275

OPERATOR: Anschutz Corp WELL NO. 1

LOCATION: NW¼ NW¼ NE¼ sec. 11, T. 16S, R. 23E, SLM

Grand County, Utah

1. Stratigraphy: APD adequate except surface Formation is Mesa Verde, ~~not~~ Green River

2. Fresh Water: possible through ~~Mesa Verde~~ Castlegate.

3. Leasable Minerals:
Coal present in Mesa Verde

4. Additional Logs Needed:
All Logs specified in APD must be run through the Mesa Verde

5. Potential Geologic Hazards:
none expected

6. References and Remarks:

Signature: _____ Date: 7-11-78

THE ANSCHUTZ CORPORATION

2400 ANACONDA TOWER
555 SEVENTEENTH STREET
DENVER, COLORADO 80202
TELEPHONE 303-825-6100
TWX 910-931-2620

May 15, 1979

Mr. Cleon B. Feight, Director
Division of Oil, Gas & Mining
State of Utah
1588 West, North Temple
Salt Lake City, Utah 84116

Dear Mr. Feight:

The following wells have not commenced drilling and have been removed from our active files. Hence we no longer plan upon drilling them.

Federal 335 No. 2
Federal 335 No. 4
Federal 4275 No. 1
Federal 7674 No. 1

The following wells have not yet commenced drilling pending further geological evaluation:

Federal 258 No. 4
Federal 258 No. 7
Federal 258 No. 8
Federal 350 No. 1
Federal 350 No. 2
Federal 350 No. 3
State 400 No. 1
State 404 No. 1
State 414 No. 1
Federal 675 No. 3
State 7265 No. 2
State 7265 No. 3
Federal 4076 No. 14-23
State 920 No. 1

We are sorry if our lack of correspondence has created an inconvenience for you.

Very truly yours,

Peter B. Doty
Operations Coordinator

PBD:jp

P.S. Enclosed are the forms you requested on the Federal 675 No. 2.